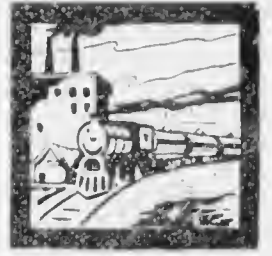




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Important Tax Question To Be Decided Today

Case of W. S. Raydure Versus Board of Tax Supervisors of Estill County Will be Heard in Irvine.—Case Watched With Deep Interest.

MATTER BEFORE OIL MEN'S ASSOCIATION
SEVERAL TIMES; CASE MAY BE APPEALED

Decision Hangs on Construction of Chapter 122, Acts of 1918, Kentucky State Legislature.—Frankfort and Winchester Attorneys Represent Plaintiff.

The case of W. S. Raydure against the Board of Supervisors of Estill county, will be heard in Irvine today (Saturday).

This case will be watched with much interest as it will settle the question as to whether the unproductive part of an oil lease is to be taxed or not.

It is understood that if the petition of the plaintiff is not given judgment the case will be appealed. The decision will depend upon what construction is placed upon Chapter 122 of the Acts of 1918, Kentucky State Legislature. This act dealing particularly with the tax which can be levied upon oil leases provides for the State and county in which the lease is situated. Different interpretations may be made as to whether the unproductive part of a lease, or the drilled wells, can be taxed.

The matter has on several occasions been before the Executive and Tax Committees of the Kentucky Oil Men's Association but no definite action to curb the tax has been taken, prior to Mr. Raydure filing this suit.

Raydure is to be represented by Ed C. O'Rear, of Frankfort; Beverly R. Jouett and Pendleton & Bush, of Winchester. The Board of Supervisors of Estill county will be represented by the county attorney and Miller & Chapman, of Irvine.

GORDON OIL AND GAS COMPANY BUYS
LEASES AND PRODUCTION IN POWELL COUNTY

It was announced in Lexington yesterday that the Gordon Oil and Gas Company, of this city, had purchased leases and production on the Elijah Wireman and William Ledford farms, in Powell county, west of the Ashley production. The deal also involved something like 35 barrels production from three wells.

The purchase was made from the Beckett-Iseman Oil and Gas Company, and, while the consideration was not made public, it is understood that the Gordon Oil and Gas Company paid about \$40,000 for the property. The purchasing company, it is understood, will immediately begin to develop the new territory to its capacity; and contracts for five wells have already been made. The leases are on the pipe line which is taking the oil from the three wells involved in the deal.

The Gordon Oil and Gas Company is a \$100,000 corporation. Max M. Gordon is president; Robert Mitchell, of Detroit, vice president, and Ben Murphy, secretary and treasurer.

NEW METHOD SUCCESSFUL IN SHUTTING
WATER OUT; CEMENTING PROCESS USED

WASHINGTON, Aug. 30.—The introduction of the cementing method of shutting off the bottom water in about 50 wells in the Cushing field, Oklahoma, has proved successful in practically every case, with an increased production of about 1,000 barrels of oil a day. These reports coming to the petroleum division of the United States Bureau of Mines, which originated this work and which is pushing a campaign in connection with the safeguarding of the Indian lands oil properties from inundation, are giving much encouragement and impetus to the work and are welcomed by the oil division of the United States fuel administration.

In the rush to drill in the Cushing field in 1914 and 1915 the well developers drilled into the Tucker sand, which now carries water. That Tucker sand originally was rich in oil. It lay under the Bartlesville sand, so that now when the water comes in from the Tucker sand it sweeps through, running the Bartlesville oil sand.

What the Bureau of Mines is trying to do is to introduce the California cementing method which was never before tried in Oklahoma. This fills in with cement the entire bottom of the shaft above the Tucker sand, so that the water can not get into the Bartlesville sand.

NEW OIL CONCERNS.

At Winchester, the Georgia-Kentucky Oil Company, with a capital of \$30,000, has filed articles of incorporation. The incorporators are J. R. Lawrence, J. B. Holly, S. B. Meadows, T. B. Dumas. The Cromer Oil, Gas and Drilling Company, Caney, Ky.; capital, \$75,000; incorporators: John H. Railsback, Enoch Cromer and Elisha Brown.

Williams Oil, Gas and Coal Company, of Red Bush, Ky.; capital, \$26,000. Incorporators: Leo Williams, L. T. Williams; Alfred Williams.

"Gasolineless Sundays" Here

Request Made to Stop Use of Automobiles on Sunday—Requa Says Restriction Will Not Long be Necessary.

WASHINGTON, Aug. 27.—The Fuel Administration today called upon the public in states east of the Mississippi River to cease the using of all classes of automobiles, with a few named exceptions, motorcycles and motor boats on Sundays until further notice as a gasoline conservation measure.

Only voluntary compliance with the letter and spirit of the request will prevent the issuance of a mandatory order prohibiting the use of gasoline on Sundays, it was declared at the Fuel Administration. Automobiles for hire, including taxicabs, are included in the curtailment program.

Motor vehicles to which the restrictions do not apply were announced as:

Tractors and motor trucks employed in actual transportation of freight.

Vehicles of physicians, used in performance of professional duties.

Ambulances, fire apparatus, police patrol wagons, undertakers' wagons and conveyances used for funerals.

Railway equipment using gasoline.

Repair outfits employed by telephone and public service companies.

Motor vehicles on errands of necessity in rural communities where transportation by steam or electricity is not available.

The action was taken by the Fuel Administration, it was stated, to meet a threatened shortage of gasoline for shipment overseas, created by increased domestic demands and extensive military operations in France.

"The United States Fuel Administration considers it necessary that a limited conservation of gasoline be undertaken in the states east of the Mississippi River in view of the increasing demand for gasoline for war purposes and the paramount obligation of meeting promptly and fully all overseas requirements," said a statement issued jointly by Administrator Garfield and Mark S. Requa, Director of the Oil Division of the Fuel Administration.

"An appeal is made, therefore, to the people of the United States east of the Mississippi River to exercise rigid economy in the consumption of gasoline during the next few weeks as a necessary and practical act of patriotism.

"War necessities are being and will continue to be promptly and fully met, but this is the period of the year when consumption of gasoline is at its highest, and the increased domestic demands, together with the extensive military operations in France, have rendered necessary for a limited period the adoption of safeguards against possible shortage.

"In view of the difficulty, if not the impossibility, of differentiation between the various uses to which automobiles are applied the United States Fuel Administration believes the greatest measure of economy can be effected with the least interference with the business of the country through the discontinuance of the use of all classes of motor vehicles, motor boats and motorcycles on Sundays.

"The United States Fuel Administration therefore requests that in the section of the United States east of the Mississippi River there shall be a discontinuance of use of the vehicles above specified, including all such are operated for hire, on each Sunday hereafter until notification that the need for such discontinuance has ceased."

After listing the exceptions to the request the statement makes an appeal "to the patriotic men and women of America west of the Mississippi River to undertake voluntarily additional conservation in the operating of their own automobiles wherever possible."

Mr. Requa said it was not likely the restriction would be necessary for any great number of Sundays.

WORK ON STATION STOPPED.

BARTLESVILLE, Okla., Aug. 30.—Work on the new Government experimental station here has been stopped owing to a strike of workmen, for higher wages. On Bartlesville \$20,000 Masonic building work is stopped owing to a similar reason.

OIL MERGER CONSUMMATED.

SALT LAKE CITY, Utah, Aug. 30.—At a late meeting of the board of directors of the Utah Consolidated Oil Co. there was consummated a deal which has been pending for some time, whereby the company acquires the holdings of D. H. Gustavson on what is known as the Gustavson oil dome, in Spanish Fork Canyon, and consisting approximately of 3,800 acres of choice oil lands.

NOVEL FISHING TOOL IN FORM OF ELECTRIC
MAGNET USED TO TAKE BIT FROM DRILLING WELL

OIL CITY, Pa., Aug. 30.—An illustration of the power of electricity was manifested recently at the well being drilled by C. C. Williams, at Corsica, Jefferson county, near Brookville, says an exchange.

A piece of the jar, 18 inches in length broke off and fell with the tools, which weighed 1,500 pounds, to the bottom of the well, which had been drilled to the depth of 670 feet. The ordinary fishing tools brought out all the drilling tools but not this piece of the jar, which lay at an angle, in about 600 feet of water. An electric magnet shaped as a horseshoe with five automobile storage batteries was brought into service and in spite of the deep water, the broken piece was taken out and is now on exhibition in the window of the electric light company in Kittanning.

Test Wells In Lee and Knott Completed

Kentucky Producers and Refiners Corporation, Drilling on Joe Hall Farm in Knott County, Get Good Well Below Gas At 1,420 Feet.

MAY PROVE CONNECTING LINK BETWEEN
KENTUCKY AND WEST VIRGINIA FIELDS

Reports Show Well Flows at Intervals.—Contrary Creek District in Lee County Extended Toward Ross Creek Section by New Well on A. M. Durbin Farm at Old Landing.

Two important wells, each proving an extended area of the Eastern Kentucky fields were reported in Lexington during the past week. The most important was that of the Kentucky Producers and Refiners Corporation, of Lexington, composed of George Harmon and others. The well is located in the northern part of Knott county, near the Knott-Floyd line, on the Joe Hall farm, and according to Mr. Harmon, flowed at intervals after a depth of 1,420 feet had been reached. The same well, at a lesser depth, showed considerable gas, and just before the sand was reached, a very hard formation was encountered. The sand, according to the operators is very much like that found in the West Virginia fields, and some geologists expressed the opinion, based on geological data, that the Kentucky field is related to the West Virginia fields, and that this well serves as a connecting link. The approximate production of the well could not be learned since it has not been put under the pump.

On Contrary Creek, in Lee county, Lexington parties have completed a fair well on the A. M. Durbin farm, at Old Landing, and reports are to the effect that the well will make from 10 to 50 barrels of oil. It is about 5 miles southeast of the junction of the well being that of Ogden and Gourley, on the Webb tract. Indications are that this section will in the course of time, be connected up with the Ross Creek district.

Drilling in Lee.

In Lee county, the Superior Oil Company is drilling on the John Curry farm, between Big and Little Sinking. The Wright Oil Company is due in with a well on the same tract.

The Atlas Oil Company is due with No. 2 Miller, about next week.

The Quaker Oil Company is at work at No. 1, L. H. Neave.

The Stanton Oil Company's Nos. 3 and 4, L. E. Mason, are due with 60 and 30 barrels.

On the L. Bateman tract, Ullman & Co. are getting 50 barrels a day at No. 3.

The Provident Oil Company's No. 5 D. B. Pondergus, is completed with 20 barrels.

The Old Dominion Oil Company's No. 4 John Cronin, is reported at 150 barrels or better. The well is reported flowing at intervals.

The Puritan Oil Company also got a 150-barrel production at No. 1 Callie Brandenburg.

The Seemir Producing and Refining Company's No. 3, at West Estes is rated at 50 barrels or better.

At the head of S. R. P. Hollow, Williams, Co. and others have created tankage and pipes to take care of the production, and being installed.

The Maryh Oil Company is shut down at No. 1 Maryh, near Johnson. They have a finishing job at No. 2, O. D. Company.

Zeall County.

In Zeall county, Ross Creek district, the Liberty Oil Company's No. 2 Mike Freese, are reported with 100 barrels. Nos. 3 and 4 are drilling.

A. E. West & Company's No. 2 A. E. West, is reported with 50 barrels.

Williams and Ryland are drilling No. 2 Nolan, near Zeall.

The Bent Hickory Oil Company is at work at No. 9 L. C. Babin.

Williams, O'Rear and others are drilling Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

The Old Dominion Oil Company's No. 3 John Harris looks like a 20-barrel pumper.

The Williams Oil Company, composed of George B. Williams, O'Rear and others, got a 20-barrel well at No. 3 Raider.

The Hardyable Oil Company got 20 and 25 barrel wells at Nos. 2 and 3 Arvin heirs.

In the Ravenna district, the Wood Oil Company's No. 15 Paul Rogers is rated at 15 barrels.

The Ohio Fuel Oil Company, drilling on the L. Frazier farm on Woodward's Fork, got a small showing at No. 3.

In the Ross Creek district, the Co-operators' Oil Company, of Lexington, is due in with another well on the Jeff Harris farm.

The Bonanza Oil Company, of Winchester, has spudded in at No. 1, James Colquette.

Adair County.

In Adair county, the Sunrise Oil Company, of Pittsburg, are preparing to drill at well near Nell, on Leatherwood Creek. They will

(Continued on Page Eight)

PETROLEUM TRADE NOTES

Governor Brimblough, of Pennsylvania, has approved a charter for the Service Creek Oil and Gas Company, Pittsburg, Pa.; capital, \$25,000; incorporators, George Diehl Carriek.

The Pittsburgh Gas and By-Products Company has filed a Delaware charter to purchase and operate oil purifying plants; capital, \$150,000, incorporators, D. L. N. Lofland, Charles H. Jones and Frank Jackson, all of Dover, Del.

A general oil business will be carried on by the Almo Oil Company, of Dover, Del., under a new Delaware charter which has just been granted; capital, \$100,000; incorporators, W. L. Lofland, George W. Morgan and Frank Jackson, all of Dover, Del.

A Delaware charter has been filed by the Delaware Oil and Gas Company to produce and market oil, gas and petroleum; capital, \$200,000; incorporators, John Williamson, Smyrna, O.; R. E. Grant and F. H. Mutchler, both of Columbus, O.

Edward Kippax, president of the Triangle Oil Refining Company, of Shreveport, Louisiana, was a visitor in banking circles in Philadelphia last week. He is a member of the Rotary Club of New Orleans and was a guest of the Philadelphia Rotary Club during his stop in that city.

Effective next Sunday, gasoline filling stations and garages at Alton, Ill., will sell no gasoline or oil of any sort after 6 p. m. on week days or all day Sunday. This is in compliance with a request from the Council of National Defense for the conservation of man power.

Announcement has been made that the Thrift Oil and Gas Company, of Monroe, La., has contracted to furnish gas to the Republic Gas and Carbon Company, of Reading, Pa., which will erect a carbon plant at Monroe which may be the largest in that field. The carbon company has contracted to buy a minimum of 875 worth of gas daily at the outset. The Thrift company has about 28,000 acres under lease.

The reports from London indicate that the Royal Dutch Petroleum Company's production for the year 1917 was 4,000,000 tons, a 20,000-ton decline from 1916 figures. The net profits for 1917 aggregated 14,373,000 florins as compared with 32,620,000 florins the previous year. An attempt to reach a tonnage and distribution agreement with the Standard Oil interests, according to the management of the corporation, proved unsuccessful.

Rates on gas to consumers at Mobile, Ala., will be advanced by the Mobile Gas Company 25c per 1,000 cubic feet, beginning September 1.

Seven employees at the plant of the Texas Oil Company at Marrero, just outside of New Orleans, were killed by the explosion of gas in a new tank. The explosion occurred on Monday afternoon at 3:30 o'clock. It resulted in some time to get the bodies of all the victims out of the tank, rescuers being unable to withdraw the gas after two of them had been removed, and the escape of the New Orleans fire department was required.

The Royal Dutch Petroleum Corporation, according to the annual report, closed for the fiscal year ended June 30, 1918, \$11,251,733, as against \$11,250,685 the preceding year. After deduction of taxes, etc., the net income for 1918 was \$2,535,857, an improvement with \$7,481,800 in the 1917 year. George H. Flint of Boston & Fynn, contractors of Pittsburg and New York, has been elected a director, succeeding John Kelly, of Kansas City, deceased. Other directors were re-elected at the annual stockholders' meeting.

The oil tank steamer of E. L. Doherty, 3d, built for the Pan-American Petroleum Transportation Company, of New York, at the yard of the New York Shipbuilding Company, at Camden, N. J., was launched on the morning of August 17, the vessel being christened by Mrs. E. L. Doherty, of San Francisco, wife of the president of the company. The steamer is 485 feet 2 inches long, with beam of 42 feet 5 1/2 inches, and has a depth of 24 feet 11 inches. It will have a speed of eleven knots an hour, being driven by four-cylinder engines of 2,000 horsepower. Its deadweight capacity is 12,872 tons.

Phinney Bros., of Oil City, Pa., have been chartered under the laws of Pennsylvania with a capital stock of \$21,000, to manufacture refine and sell petroleum and its products. Incorporators are: T. G. Phinney, Clara B. Phinney.

The total volume of business exclusive of inter-company sales and transactions of the Tidewater Oil Company and subsidiaries amounts to \$10,620,087 for the six months ended June 30, 1918. Net income after depreciation charged off and provision for Federal taxes, etc., is \$503,577.

The W. P. Williams Oil Corporation, one of the largest oil producing companies in the Kentucky field, has recently opened offices in Lexington and started development of its property, comprising over 10,000 acres of approved oil lands in the counties of Lee, Estill, Breathitt, Morgan, Wolfe and Magoffin.

The following officers were recently elected by the stockholders of the Krebs Oil and Gas Company, of Bowling Green, Ky.: J. S. Kirby, president; and C. A. Phelps, of Plain, Tenn., secretary and treasurer. The company holds leases on 1,000 acres on the eastern edge of Warren county and will begin making a number of wells in the near future.

When a tank on school lease of the Revert Oil and Gas Company, El Dorado, Kan., burst, flowing oil over engine and boilers, a \$50,000 fire occurred.

R. E. Curtis, who for the past six years has been connected with the purchasing department of the Texas Company, New York city, has resigned his position to take charge of the New York office of Anderson & Gustafson. He was for several years in Chicago familiarizing himself with the company's operations and to take charge of the New York office August 20.

J. S. Kirby has been made the Bowling Green agent for the Producers' Oil Company, of Tennessee.

The Mobil Oil Company has filed articles of incorporation under the laws of California with a capital of \$500,000.

The Pierce Oil Corporation has made application to the New York Stock Exchange to have it list the company with \$10,581,350 capital stock, par value \$5 per share.

It is announced that the Southwest Oil Company has constructed a small still at the Thornton camp and will begin refining the oil in a few days, making a light kerosene and fuel oil.

Spill at Pipe Line Company's six-inch line connecting Billings with the main line of the coast at Bombay, has been completed.

Consolidated Pipe Line Company has declared a dividend of 75 cents a share, payable September 11, to stockholders of record August 23.

Heavy losses were sustained in the Louisiana and Texas oil fields as a result of the recent tropical storm. Many derricks were leveled.

Lubbock, Texas, now has natural gas facilities and nearby are coal mines. Production of oil and gas is expected to grow into commercial importance in the near future.

New Mexico, Yuma County, Colorado, an effort is being made to open a new field. The M. B. Field Oil Company is drilling at a deep test there. The well will go down to 2,000 feet if oil should not be found at a shallower level.

Ralph Hubbard, of Fredonia, Kan., was recently killed in Tulsa. He was employed by the Fredonia Oil Company on a new building which was being erected for the company's use in this city. A beam fell on him, inflicting fatal injuries. He is survived by his wife.

Oil production in the Bakin district, Russia, for 1917, in the oil fields, was 1,170,000 barrels, of 12 gallons each. In the new Bakin fields, the figures for 1917 were 1,700,000 barrels. In 1916, Bakin's old fields produced 2,680,000 barrels; new fields, 17,700,000.

New York Public Service Commission (Second District) has denied several Western New York gas companies a rehearing on an order which cuts off industrial gas consumers from service. The gas companies deem this an unfair ruling and will fight it in the courts.

Sandusky, Ohio, is confronted with the proposition of manufactured gas to take the place of natural gas heretofore furnished by the Logan company. The citizens are trying to find out how cheaply the substitute can be made and delivered, and gas experts are figuring on the matter.

From Manville, Wyo., comes this rather plaintive little dispatch: "The oil boom that was apparent here some months ago is slowly dying out and conditions are settling to a substantial business basis again, with the operating concerns doing all in their power to increase the flow of their wells."

According to a report from San Angelo, Tex., the sale of the deep test well of the San Angelo Oil & Gas Company to H. B. Ringer, which was about to be closed some time ago, has been held up on account of Mr. Ringer's illness. The well, which has reached a depth of more than 2,400 feet, has been drilled by a local company.

Last week, on Thursday, fire in the Towanda (Kan.) oil field destroyed derricks and tanks of the Bevert Oil Company on the school house lease, valued at \$15,000 and threatened to sweep over leases owned by the Empire Gas & Fuel Company. Fire departments from Towanda and El Dorado went to the scene.

Jack Samuelson has sold his interest in the Samuelson Commissary to Freeman C. Barstow. This concern feeds men in the camps of the General Petroleum Company in California fields and hundreds of robust workers must be provided for. It is a big task. Samuelson quits the business because he is going into government service.

H. Shannon has applied for a patent, in England, for a liquid fuel mixture "consisting of water, hydrocarbon oil, and animal fat, and prepared by heating a given quantity of water and an approximately like quantity of hydrocarbon oil to a suitable temperature, then adding a given quantity of animal fat or grease and subjecting the whole to agitation."

No more free gas is to be furnished by the Oklahoma Natural Gas Company to city buildings in Tulsa, according to an announcement made last week. The shutting off of the gas in this manner is contrary to the terms of the company's franchise, but the State Fuel Administration now orders the shut-off, and this order takes precedence over peace-time regulations and privileges.

It is generally understood in Houston, Texas, although oil company officials refuse to be quoted, that the United States and British Governments have been notified that the big oil companies operating in the Tampico (Mexico) fields will call out their men unless some guarantee as to the safety of workers in the Mexican oil fields is forthcoming.

Some time ago an oil tanker was torpedoed by an enemy submarine in British waters and the petroleum vessel was soon a blazing mass. Salvage workers could not approach the burning ship, so they sent 40 shots into her hull, sinking her. The water extinguished the fire and then the vessel was raised to the surface and much of the cargo was saved, in addition to the ship itself.

Consumption of gasoline in Minnesota, last month, amounted to 10,000,000 gallons, according to a statement made by Commissioner J. Sorensen. "While the July totals of inspection reports are not complete," said he, "the June total of 9,856,000 gallons is already passed by a good margin and it is safe to say that during the last 30 days the Minnesota consumption has exceeded 10,000,000."

For the sum of 3,000,000 yen, the Hoden Oil Company has purchased the entire holdings of the Chugai Seikyo & Asphalt Company, in Akita prefecture, Japan, where oil fields have been opened. In Japan, the impossibility of obtaining drilling material from foreign countries has had a bad effect on many interests, including those of the Chugai company, hence the sale to the larger concern.

At Fort Worth a committee is drafting plans for a uniform map of the West and Northwest Texas oil belt. The committee is composed of W. H. Mead, W. B. Pyren, H. E. Carr, J. A. Wright and K. E. Hanzley. Counties likely to be included in the map extend as far north as Jack and Young and south to McCulloch and San Sala. First attention will be given Eastland and Stephens Counties.

At Lenape, Okla., the gasoline plant of the Continental Company was destroyed by fire recently. The storage tank exploded and the plant was almost immediately enveloped in flames. The loss is estimated at about \$35,000. The plant was built by a company of Germans and the superintendent of construction was recalled for service in the German army soon after the war broke out in 1914.

At Franklin, Pa., the Foco Oil Company's new refinery is reported to be in operation, high grade lubricating oil from Franklin premium heavy crude to be the chief product. After elaborate laboratory tests, conducted personally by Harry E. Grant, president of the company, the most approved methods of manufacturing lubricants from the oil mentioned, have been worked out. Big results are anticipated.

Three hundred Italians are encamped near Mt. Pleasant, Ohio, engaged in laying a 12-inch pipe line for the Ohio Fuel Supply Company from the neighborhood of Union Furnace, through Hue, Stella, Royal and Allensville, to the Jackson County line. This pipe line will make connections with other 12-inch lines at both terminals, that gas producers in that region can send their product over a large area.

At Newkirk, Okla., last week 30 school leases were filed with the County Register of Deeds by the Marland Refining Company of Ponca City. The old leases having expired, there was some question whether the Marland Company had the first privilege of renewing them. However, the school land department decided in favor of the company. The new leases were drawn up for a term of five years.

Members of the Oklahoma Corporation Commission have decided to personally visit Washington and attend a hearing before W. G. McAdoo, director-general of railroads, in relation to traffic ratings in this State, against which oil men are seriously complaining. Before the commission the Western Petroleum Refiners' Association has filed a petition bearing on this matter. Hearing is set for this week.

On the Simons farm, four and one-half miles northwest of Elk City, Kan., a gas well was drilled in some time ago, by Keith & Morrison and the initial outburst of gas from the hole caused a roaring sound that was audible two miles. The Coffeyville Journal's estimate on the daily output was 30,000,000 cubic feet. This was the second big gasser drilled on that farm. The first settled down to a daily flow of 10,000,000 cubic feet.

Clarence B. Douglas, of the Tulsa Chamber of Commerce, has received information to the effect that a Tulsa oil concern is selling large blocks of stock in New England communities. He was asked if the company in question is a reliable concern. In reply Mr. Douglas stated that any company which would be required to go so far away from this town to sell its oil stock would not be likely to qualify as a good investment.

Dempseytown Natural Gas Company has filed with the Pennsylvania Public Service Commission a new tariff of rates to be charged by it to consumers in Venango, Clarion and Forest Counties, Pennsylvania, to become effective on September 1, 1918, making the following increases in existing rates: Rate for first 100,000 cubic feet per month is increased from 22c to 35c net per thousand cubic feet. Rate for all gas consumed in excess of 100,000 cubic feet per month, from 22c to 25c net per thousand cubic feet.

At a hearing in Oklahoma recently, an agreement between Muskogee's city attorney and attorneys representing the Muskogee Gas & Electric Company, and the Oklahoma Natural Gas Company, an order was entered providing for payment of rebates, in the event the Supreme Court upholds the Corporation Commission's order to that effect, in the Oklahoma City and Nowata gas cases. It was agreed that the facts in the three cases are substantially the same, and the gas companies and citizens were willing to abide by the final court decision.

Announcement is made that the Equitable Trust Company will distribute, to registered holders of American shares in the Royal Dutch Petroleum Company, a dividend of \$4 per share, based on the present rate of exchange between Amsterdam and New York. The dividend will represent the pro rata part of the final dividend of 18 guilders per share declared some time ago on the Royal Dutch Shell stock in Holland. Owners of the American shares of record at the close of business August 16 will be entitled to the dividend.

Recently the Nowata County (Okla.) Gas Company notified its patrons that no monthly bills would be sent to them as formerly, and the reason given was the shortage of help. The patrons were told that the customary penalties would be imposed in cases of delay in paying. Then County Attorney Gowdy took up the matter before the State Corporation Commission and the latter body ruled that the new policy on the part of the company was disapproved. The company was directed to continue the mailing of bills, monthly, in the customary manner.

Reports from Tokyo state that Japanese oil interests have been offered the Chinese concession formerly held by the Standard Oil Company and relinquished by that concern some time ago after an extended drilling campaign. The Japanese oil men are not very eager about taking the offer, the reports indicate, pending a complete investigation of the matter. The lands are not commercially valuable as oil territory, it appears. This fact, evidently, was what induced the Standard to withdraw from the costly prospecting operations which it had been conducting.

According to the Oil World of Denver, Henry Keef is named as a defendant in that city, in two cases, asking a total of \$175,000 damages for alleged failure to carry out a contract with reference to the sale of oil stock. One suit is brought by Frederick G. Bonfils, of the Denver Post, for \$150,000 because of Keef's alleged refusal to deliver 50,000 shares of stock in the Elk Basin Oil Company, which, it is claimed, has now advanced to \$5 a share. The other suit is brought by Alan B. Rowen and asks \$25,000 as the commission which he claims to have lost as a result of Keef's refusal to sell the stock after he had found a buyer.

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Irvine, Kentucky.

S. D. GOFF, President.
W. F. HAMPTON, Vice President

R. P. TAYLOR, Cashier
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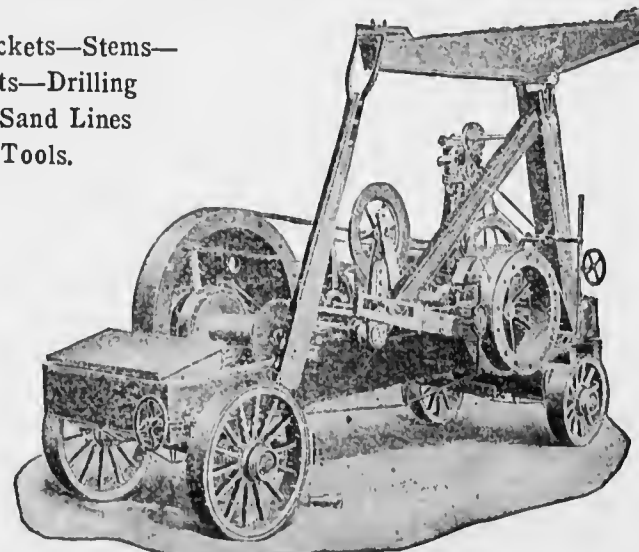
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**PETROLEUM PRODUCTION STATISTICS FOR
FIRST HALF OF YEAR COMPARED WITH 1917**

The United States Geological Survey has issued its figures giving the petroleum statistics for the first six months of 1918, as compared with the corresponding period of 1917. The tables are compiled by J. D. Northrop, who has handled these statistics for several years. They give the amount of crude petroleum marketed, apparently consumed and in stock in the United States for the two periods mentioned, by fields and by months, in barrels of 42 gallons each.

Appalachian Field.			
1917.			
Month	Marketed	Apparently Consumed	Stocks end of month
January	1,060,014	1,675,482	4,161,870
February	1,724,571	1,867,055	3,086,380
March	2,110,080	2,072,800	4,033,215
April	1,678,019	1,608,872	4,102,389
May	2,201,688	1,785,724	4,520,750
June	2,130,711	2,270,481	4,372,013
Total	12,114,179	11,610,571	

1918.			
January	1,731,000	1,913,670	3,038,740
February	1,698,300	1,712,810	3,021,230
March	2,177,000	2,110,330	3,001,800
April	2,177,500	2,203,275	3,000,082
May	2,270,700	2,281,235	3,001,350
June	2,033,200	2,441,855	3,549,805
Total	12,397,600	12,469,181	

Lima-Indiana Field.			
1917.			
January	315,475	170,398	2,270,042
February	203,462	201,133	2,338,071
March	335,111	181,220	2,480,553
April	390,745	401,903	2,307,303
May	338,020	477,885	2,257,199
June	320,662	410,953	2,167,158
Total	1,804,184	1,801,801	

1918.			
January	168,300	151,011	1,910,030
February	227,000	537,380	1,610,450
March	200,700	312,360	1,588,700
April	204,000	288,800	1,503,030
May	314,600	368,080	1,600,810
June	281,400	427,470	1,454,270
Total	1,577,200	2,028,761	

Illinois Field.

1917.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

1918.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

Mid-Continent Field.

1917.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

1918.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

Gulf Field.

1917.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

1918.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

Rocky Mountain Field.

1917.

January	1,433,601	1,433,601	1,433,601
February	1,433,601	1,433,601	1,433,601
March	1,433,601	1,433,601	1,433,601
April	1,433,601	1,433,601	1,433,601
May	1,433,601	1,433,601	1,433,601
June	1,433,601	1,433,601	1,433,601
Total	8,439,606		

1918.

1918.			
January	81,700	20,134	11.8
February	76,310	77,354	12.2
March	1,018,100	920,230	10.1
April	955,100	812,570	7.1
May	1,081,100	957,880	8.7
June	1,070,000	1,031,000	9.6

THE OIL WORLD

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Vol. 2. SATURDAY, AUGUST 31, 1918. No. 14.

THE WARNING WORLD WANTS OIL.

"The world is now in a state of such dire need of oil that the production of this commodity is the most important of all."—The Oil World.

WORLD WIDE OIL SEARCH.

In all countries where oil is to be found or suspected to exist, there is an active search for it, says the Oil and Gas Journal. In South American countries there is an increased interest in petroleum production. Mexico's operations promise to be increased on a large scale in the time to come. Asiatic oil activities are being spurred on by the needs of the times. Russia, owing to the war, is showing small interest in new oil developments, but following the re-establishment of peace much new field work will be started there. In Galicia, Roumania and other fields now under control of the Germans, oil producing of the offensive kind is under way. When the boche is defeated, other prospects will carry on the work.

The universal demand for petroleum and the depletion of available supplies mean that Old World oil operations will be larger in the future than they ever have been in the past.

Notwithstanding this prospect, the bulk of the world's supply of oil is provided by the oil producers of this continent. American oil men are destined for a long period to retain their leading position in supplying oil consumers with the great commodity that has become so essential to the carrying on of the world's work.

OIL INDUSTRY SELF-GOVERNING.

Chairman Bedford, of the National Petroleum War Service Committee, in a statement published last week, verified previous announcements of the Oil Division of the Fuel Administration with reference to the Federal Government's attitude toward the oil industry. The statement emphasized that the industry is to govern itself. The plan of the government provides that the purchasing companies shall continue to buy crude oil at the posted market prices; that all purchasers of oil shall pay a premium for crude oil be hereafter permitted to pay a premium, substantially the same as those now in effect, and that all contracts made for the diversion of crude oil from its existing channels are to be first submitted to committees on conciliation and co-operation created by the trade.

These committees, Mr. Bedford stated, will consist of an equal number of purchasers and producers of crude oil, and at least one, and not exceeding three, disinterested men of standing in the community.

This plan is to be operative until November 1, next and as long thereafter, as the Petroleum War Service Committee may determine. The Oil Division has sanctioned the method and thus the present control of the petroleum industry is vested in the War Service Committee, which directly represents the industry and the Government.

Should oil interests accept this program as a permanent one to follow and co-operation be continued with those in charge of the matter, all will be well. Oil men will do their share to win the war and good results will follow. On the other hand, should there be a continuance of controversies and a disposition to ignore or oppose the rules of procedure as formulated, Director Requa is authority for the statement that the Government will take a hand in the matter and abolish all premiums, "as the present posted prices are ample to stimulate and encourage production."

If there are malcontents in the business who are disposed to make trouble they should pay heed to the warning that has been given by Director Requa. Some sacrifices must be made by all interests at this time. These should be counted with the cost of war.

MEXICAN OIL TROUBLES.

The attitude of the Mexican government towards the oil companies of the country, seems to be tending toward a less arrogant position and a willingness to modify the provisions of the decree relating to oil titles. Protests made by the American and British governments were at first received with scant courtesy, but recent developments in the war may have tended to cause further consideration of the laws. The Journal of Commerce says the only question seems to be one of legal rights and it has been suggested to the oil companies by our State Department and the Mexican Government that the legality of the decree be put to a test before the courts of Mexico and the final decree be accepted.

The Amended Constitution of the Republic seems to have authorized the Government to assume title to underground deposits of oil and minerals regardless of the surface ownership of the land. So the Government might derive a liberal revenue from granting the privilege of extracting these and converting them into salable products. If these were public lands this distinction between surface and underground values could be fairly made in disposing of them. In the case of cultivable land in private ownership it might be justifiable to take control of newly discovered deposits, with a proper recompense to the surface owners for interfering with their rights.

Where mining or oil contracting companies have bought the land, without any legal restriction and for the purpose of working the deposits at their own expense, the case is quite different. They may be fairly subject to taxation on their profitable property, but not to its appropriation or absolute control as belonging to the Government. However, the Mexican Government protests that it had no purpose of controlling the output of oil or preventing the Government of the United States or Great Britain from getting all the available supply on fair terms, and the matter seems likely to be amicably settled. The idea of any purpose of aiding the Germans is resented in Mexico as utterly without reason, and it is said that the sentiment of the country

and the attitude of the Government are really favorable to the Allied cause as it has come to be better understood.

The importance of the Mexican fields to the old supply is seen in the figures issued at Washington. It is claimed the Allies will need 430,000,000 barrels of crude during the next 12 months, and the United States can supply only about 320,000,000 barrels. The other 110,000,000 barrels must be obtained elsewhere. According to the shipments from Mexico the last six months the total for the year from that country will be about 50,000,000 barrels. This could be increased with better shipping facilities, but as it is does not make up the deficiency.

PRICE CONTROL PLAN DEPENDENT ON FRANKNESS AND GOOD WILL OF INDUSTRY

The successful operation by the industry of the new crude oil premium and price control plan inaugurated by the National Petroleum War Service Committee and the Oil Division last week, is entirely dependent upon the frankness, generosity, goodwill and absolute honesty of every one in the industry. It is not enough that 98 per cent of the industry be all these, but 100 per cent must be if the plan is going to succeed. These virtues must be the practice of every one from the biggest purchaser down to the smallest refiner. If there are to be any exceptions, the plan, so far as the industry's operation is concerned, will surely fail, and just as surely there will promptly follow government control and allocation of all oil.

This is not idle preaching. It won't take much from any single individual to start something that he can't stop. Every one who requests a diversion of crude to himself must first put himself in the position of the man who is going to lose the crude. If the applicant is to be the only one and he wants only 100 barrels a day from a big company's line it won't, of course, be objected to for a moment, but if there are to be twenty or thirty or more such applicants and if it should so happen that many of them want to take oil from the one line, or if the total of their desires runs to 10,000 or 20,000 barrels a day, will the big line quietly acquiesce?

It's not to be expected that it will in these days of short crude supply all plants running below capacity, such a burden of requests is bound to bring up the question of whether it is better for the government's war needs for one big plant to run 20,000 barrels of crude a day or for it to be split up among twenty small plants.

Oil Director Requa has already asked the war service committee to consider this, which, with the probable defense of the big line, may make that the prime question on the diversion of crude. There is no use condemning it as socialism. The question will have to be answered in the light of the facts as to the labor situation a year from now when we have an army of 5,000,000 men, twice as large as we have now.

Another danger lies in the possibility of some of these unscrupulous crude oil brokers who may be allowed to continue their tactics of hunting for premium payers. It's up to the producers to refuse to have any dealings with such men and the pipe lines to refuse to consider their offers, regardless of the additional profit that may accrue to the producer and the oil that may come to the refinery.

Then there is the obligation that rests on the big pipe line companies to follow what is undoubtedly the thought of the plan, although it is not as clearly expressed as it might be, and that is the phase used by Chairman Bedford in finally announcing the plan, to wit, its purpose is: "To maintain the continuous and uninterrupted flow of crude oil in its present channels in so far as it is practicable and just." Undoubtedly the idea here is to consider that the oil shall flow ratably, that is, refineries dependent upon a field which makes a serious decline will not be made to suffer alone, but will be taken care of so far as is practicable out of all the crude oil coming from that general district. Losses or increases will be borne more or less alike. Another interpretation than this might soon put a number of plants out of business.

Members of the industry must also be patient and whenever possible abide by the decision of their committee, so that the approval of the oil division of each transfer of crude will be mere formality.

As so much of the successful operation of the plan is entirely dependent upon the good will and confidence every one has for the other, and particularly for the industry's committees, it seems to this paper to be essential that all requests for crude diversions be made in public meetings of the committee and that all actions in regard to a diversion of crude be open at all times to public inspection. If an applicant knows that he must present and defend his request for a diversion in public he is just going to satisfy his own conscience that his request is a reasonable one. If the pipe line knew it had to satisfy the oil public in the open it just would make doubly certain that its position was right and the committee's opinion rendered in the light of the public's full information, would be vastly more effective.

Therefore, for the success of the plan and the continued good will and confidence of all in the industry, all hearings, meetings and matters attended to under the plan must be before the entire oil industry.

WHAT REFINERY OUTPUT AND STOCK REPORTS SHOW

The June report, covering the output of the refineries of the country as well as the stocks of petroleum products on hand at the refineries at the end of June, shows a decline generally over the list of production. On the other hand, while the stocks of gasoline show a drop from the totals at the end of May, there has been an increase in the stockage of kerosene, gas and fuel oil and wax.

The gasoline output in April was 293,396,162 gallons, yet in May this was increased to 319,391,202 gallons. During June, however, the output dropped more than 4,000,000 gallons to 315,023,445 gallons. The average production during the month, was in excess of 10,500,000 gallons a day.

Kerosene production fell below the April production of 153,703,652 gallons to 151,840,252 gallons, which is an even greater decline when compared with the May output of 160,590,760 gallons, or 8,750,000 gallons for the month, while the gas and fuel oil group, which increased some 63,000,000 gallons in May over April, dropped off about 3,000,000 gallons in June from the May total to 628,842,033 gallons.

Lubricating production, also, declined more than 5,000,000 gallons in June as compared with May, with a total of 74,420,996 gallons, which, however, is an increase of 3,400,000 gallons over April.

Despite this decline the amount of petroleum products in storage at the refineries at the close of June generally shows an advance over the previous month's totals, which has a tendency to offset the production declines in that it bears evidence that, despite the drop in new output, the production is in excess and gaining over the consumption,

which is the really essential feature of the war production program unless the disparity should become too great.

The New York Petroleum Exchange promises to wage war on the fake oil companies and oil promoters with no backing in the field. It is officially announced that special attention will be given to opposing and exposing these artful dodgers who prey upon the kindly public with gilded promises of great wealth. It is a worthy work and one that deserves encouragement.

WEEKLY REVIEW OF THE FIELDS.

Hundreds of wells in Oklahoma are idle because of a lack of water for drilling purposes. This is the cause of the small number of completed wells in the current review of operations in the state. There were no big wells definitely reported from any source in Oklahoma, and the most noteworthy one took no more form than a rumor up to this time. It was a report of a 500-barrel well on top of a 2,400-foot sand in Section 2-13-11, Okmulgee County, far from production. The wildcat wells were confined to average producers, gas wells, or dry holes. The best well reported in the course of the week was completed in Wagoner County, east of the Broken Arrow district, and it did no more than 200-barrels a day. Hundred-barrel wells were completed in Osage, Payne, Kay, Garfield and Muskogee Counties.

In Kansas, the average daily production of the State is reduced in this week's report because of the cyclone which wrecked many leases in the El Dorado and Towanda pools in Butler County. The daily production of the Eldorado-Towanda district for the past week was only 69,000 barrels. The number of wells completed in Butler County was nearly up to the mark, but with the exception of an 1,800-barrel producer on the Eayart farm in Section 12-26-4 and a 600-barrel and a 900-barrel well in Section 2-25-5, they were unimportant.

Greenwood County had a quiet week and the other wildcat districts reported no new production. Failures were recorded in Saline and Reno Counties.

Water is making its appearance in many of the wells in the Pine Island pool, in Louisiana, but that development continues to supply good producers. The largest completion of the past week was a 1,000-barrel well located in Section 15-21-15. One 300-barrel and a number of 20-barrel wells were also reported. The old De Soto field attracted attention by furnishing a 600-barrel well on the Grand Bayou Planting Company's land.

In wildcat territory southeast of Hull, Liberty County, the Republic Production Company has drilled another well which started flowing 1,000 barrels daily. No. 3 on this acreage came in on July 23, flowing 1,000 barrels a day and held up to that production until the past week when it declined to 600 barrels. The new well is located a mile south of No. 3 and appears to have opened considerable new territory. The largest completion at Goose Creek started at the rate of 2,800 barrels daily.

North-Central Texas furnished three big producers. Two wells on the Brewer farm, in the Ranger pool, started flowing 2,000 barrels each and in the Burkburnett pool, a 3,000-barrel producer was completed near the original town-lot gasser.

Two wells owned by the Ohio and Midwest companies, located on the Murphy dome, between Washakie and Hot Springs Counties, Wyoming, drilled into water and were abandoned. In Section 28-39-80, Salt Creek pool, a flowing well was completed in shale at 900 feet. Lack of water has caused the shut-down of many drilling wells in the Wyoming field.

In the Weir sand pool, Cabin Creek district, Kanawha County, W. Va., the Columbia Carbon Company drilled its No. 1 on the Hudnall farm into the deep pay and increased its production from 650 to 1,200 barrels daily. Another well in the same pool, drilled from the gas pay into the Weir sand, started at 250 barrels a day.

Lee County continues to lead the Kentucky pools in point of activity and new production. Many completions were reported last week, ranging in size from 10 to 150 barrels daily. A reported showing of oil in Menifee County, attracted considerable attention.

NEW DOPE ON "UNDERGROUND OIL RIVERS" AS SEEN BY SAN ANTONIO "GEOLOGIST"

The following is taken from The Oil and Gas Journal of Tulsa: San Antonio, Texas.

To The Oil and Gas Journal:

I am a reader of The Journal. I buy it at newsstands. I read in it an article from some oil man stating that he was satisfied that there was a mother oil pool in the State of Wyoming. The Journal states it would like to know where is the father pool.

Perhaps I can give you some information on that subject.

I commenced several years ago to study geology of the earth and the causes of the centripetal and centrifugal forces from my own reasoning standpoint. And I got some ideas into my head which put me to experimenting with the oil business.

I spent some time in Georgia, Alabama, Louisiana, Colorado, New Mexico, Oklahoma and, last, covered the State of Texas, where I have nearly all the large oil streams located. I say "streams" because I have good proof that oil runs under the ground, just the same as water does and generally in the same direction.

I boldly assert that oil is generated in the different strata of coal and shale with the combination of sulphur water, salt water, sulphate of iron water and sometimes a few other chemical waters, thus making the oil, and this is nature's laboratory which has been going on for millions of years. Now, when an oil stream is running through a section of country where the earth is very porous, it will spread out until it covers that entire section. Then and there you find the so-called oil fields.

Where the Oil Goes.

Then, after that particular location is filled, it makes its way on in the same direction. To where? Oil in the United States east of the Rocky Mountain divide runs southeast. Some streams boil up in the Gulf of Mexico, but the main portion continues on its course until it gets down in the vicinity of Martinique in the West Indies, where there is a great deal of porous earth and caverns and where it fills up everything, which takes from 15 to 20 years. Then this oil and gas gets on fire by chemical combustion. What have you? The largest volcano in the world, Mont Pelée—which burns millions of barrels of oil every day, then finally goes out for the want of fuel.

The reason why Mont Pelée doesn't burn more often is because there is so much oil taken out of its stream before it reaches Mont Pelée.

Again: All the oil which is generated west of the Rocky Mountains runs direct to the Hawaiian Islands, where volcanoes consume it.

Again: All the oil which is generated in England, Scotland, Ireland, Wales, France, Germany, Austria, Roumania, Russia and those other smaller provinces runs down to Italy—and what have you then? Mount Vesuvius burning oil and gas!

Again: Take the eastern portion of Africa, lower portion of Arabia, Persia, India and that very large island of Madagascar, which is 1,400 miles long and almost a coal bed. All of these countries are pouring their oil into the Island of Maritius, where her volcanoes are burning almost continuously. The world needs oil and will continue to need more every year, and the largest oil fields which will be on the globe are near Mont Pelee in Martinique or are near Mount Vesuvius.

But the oil business is in its infancy at present. Louisiana will eventually be the largest producing State that is in the Union; then Texas, Oklahoma, California, and Virginia. I have good scientific reasons for saying so.

Oil River Under Tulsa.

I have just returned from a flying visit to Oklahoma and will say that the city of Tulsa has more oil running through it than a dozen of those little oil fields near it, and that Oklahoma City has two immense oil streams. One runs not far from the capitol and the larger, one within 15 miles. And just as soon as I get finances arranged I will make that State smile over her prosperity.

While I can produce more oil in Texas, why not tackle Oklahoma, too? You can't glut the market with oil, because the world says: "Give me oil to burn and I will not use wood and coal."

Now the question will be asked, How do I know all this? Answer: After studying this question for several years and experimenting in the different States I have invented and perfected an oil battery with which I can find every stream in the land. I can test from 10 to 20 miles in one day by connecting a couple of minutes, every 400 or 500 yards, and when I find an oil stream can trace it 100 miles and never leave it 100 yards.

H. M. HUNTER.

REFINERS RESPOND TO WAR DEMANDS; LARGE INCREASE IN OUTPUT SHOWN

Statistics on the output of all petroleum products from all refineries in this country furnish the best example as to the war service this industry is giving the nation. The figures are compiled from the monthly figures as to output given out by the Bureau of Mines and are now available for the first half of 1918.

In general they show a stimulation of operations in practically all refining districts and a proportionately larger production of those

products necessary to military activities, as compared with crude run through the stills this year and during the first six months of 1917.

A total of 155,089,996 barrels of crude was run through the stills of all plants during the first six months of this year, exclusive of oils purchased and re-run, which amounted to 19,683,519 barrels. For the first half of 1917 the amount of crude run through the still was 144,095,162 barrels. The same consumption of crude for the last six months of this year would make total crude run through the stills around 310,000,000 barrels. Total crude production in 1917 was about 330,000,000 barrels, including crude used for other purposes, such as under boilers in the field, for road oil, etc., and that exported from this country, such exports mostly going via pipe line to the Imperial Oil Company's refinery at Samia, Ont.

The United States Geological Survey has reported the amount of crude marketed during the first half of 1918 to be 170,613,432 barrels, with the crude apparently consumed during that period running up to 178,808,175 barrels. Thus crude stocks evidently were drawn on in that period to the amount of around 8,000,000 barrels. If the same rate of production is maintained for the latter half of the year total crude production for the year will reach 341,000,000 barrels—roughly, about 10,000,000 barrels in excess of last year.

All refining districts without exception have responded to the demand for greater production of gasoline. The total figure for the first six months was 1,657,976,204 gallons, a gain of more than 25 per cent as compared with production for the same period of 1917, and insuring an annual production, if the same rate is maintained the last six months, of around 3,315,000,000 gallons. Total production of gasoline last year was 2,730,000,000 gallons in round numbers. Refining plants are turning out this product now at a daily average rate of 9,182,968 gallons, as against 6,763,137 gallons a year ago.

During the first six months of 1917 for all plants an average of 20 per cent of crude was run to gasoline. This year 22.5 per cent of the crude was run to gasoline.—National Petroleum News.

PRICE CUTTING IN INDIANA TERRITORY.

CHICAGO, Aug. 30.—The seriousness of reports which have come from various sections of the middle western jobbing territory to the effect that some independent marketers were cutting the market on light oils is shown in a letter sent out by John D. Reynolds, secretary of the American Petroleum League, dated August 22nd. The letter was sent out before the order of the Standard of Indiana was made public cutting out differentials between the service station and tank wagon markets for gasoline at such points as they existed.

Secretary Reynolds calls on his members to use every effort to see that all practices that are in effect price-cutting be stopped, pointing out that the jobbers need all the margin there is in present prices to exist and that the govern-

ment must be reduced.

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For Sale!

One hundred thousand feet tubing and rods.
Fifty thousand feet two-inch line.
One hundred thousand feet surface rods.
Ten thousand feet one and one-half inch line pipe.
Twenty-five thousand feet of five and five-eighths casing.
Three sixteen-horse power converted Bessemer engines.
One twenty-five horse power Superior, with oil head attachments.
Two push and pull powers.

All the above material in good condition.

EVERETT C. ARNOLD

Geneva, Indiana.

ANNOUNCEMENT !!

IN VIEW OF THE INCREASING COSTS OF NEWS
PRINT PAPER AND GENERAL ADVANCES IN
COSTS OF MATERIAL AND LABOR, THE PRICE
OF THE OIL WORLD ON AND AFTER SEPTEMBER 1st, WILL BE AS FOLLOWS:

One Year, \$3.00; 6 Months, \$2.00; 3 Months, \$1.00

The vast area of territory being developed in Kentucky has necessitated the addition of a number of correspondents in different counties and these will furnish news exclusively to the Oil World. We believe that our subscribers will find the paper well worth the new price.

The Oil World

Skain Building

Lexington, Ky.

SEEK WAY TO USE SURPLUS TANK CARS; STEADY MOVEMENT SINCE AUGUST 15 NOTED

WASHINGTON, Aug. 30.—By the middle of August the efforts of the Railroad Administration had resulted in such a steady movement of petroleum tank cars that the supply of cars on the side-tracks waiting loads was equal to more than three and a half days average loading and the supply in the Texas-Louisiana field was almost as great. On August 15th the average daily loading in the Mid-Continent field was 927 cars and the surplus 3,304 cars. In other fields the average daily loading was 210 cars and the surplus 652 cars.

This is due to the efforts of J. A. Middleton, the inland traffic manager for the Railroad Administration, on duty with the oil division, to W. E. MacEwen, supervisor west of the Mississippi river and F. W. Boltz, east of that stream.

The condition was then so favorable that the Railroad Administration announced that the movement of cars had been so expedited that whereas a car was making about 21.5 miles per day in January, it was making about 58 miles a day in August. It was also announced that conditions were so favorable that refiners who had ordered 15,000 tank cars might be warranted in canceling their orders.

Nobody has figured out what shall be done with the idle tank cars.

There is a supply of refined oil in the two fields and there is storage capacity in the eastern part of the country. The question is how to utilize the tank cars without causing a disturbance in the market. It is a certainty that if the refiners loaded the cars and started them eastward, the people with storage capacity would ask for concessions in price that might react disastrously on the market.

This situation is not wholly due to the efforts of the men mentioned. The tank steamer situation is not so bad as it was feared it would be. Some tankers have been returned to the coastwise service. The U-boats have sunk a few of them but it is suspected that the shipyards are turning out tank steamers about as fast as the Germans are sinking them, if not faster.

A surplus of tank cars, however, is a condition much more to the liking of the Railroad and Fuel Administration than a shortage at this time. It is out of the question for the refiners to use the tank cars for sending fuel oil to New England because the all-rail rates would be about 10.3 cents per gallon of fuel oil, which would make it cost prohibitive to any except a factory that was making an inordinate profit on some kind of war work. Only in the event the tanker service were cut off altogether would such a use of the tank cars be thought of as a commercial possibility, and then it would not be commercial so much as military; because only manufacturers making war material could stand such a charge for transportation.

PART GASOLINE PLAYS IN INDUSTRIAL LIFE GRAPHICALLY SHOWN IN STATEMENT

WASHINGTON, Aug. 30.—The part that gasoline plays in the industrial life of this country is graphically shown in a statement recently submitted to the House Ways and Means Committee by Hon. Clifford Thorne, secretary of the American Petroleum League, for its consideration in discussing the proposed war tax on gasoline. The statement shows that from 85 to 90 per cent of the gasoline consumed as motor fuel is used for commercial purposes.

In discussing the part gasoline now plays in western farming territory, the statement points out:

"Gasoline has become an absolute necessity on our farms. The car has become an essential element of daily life there, facilitating trips from the farm to the city, to the market and elsewhere. The following list of the uses of a gasoline motor has been prepared by the manufacturers. Some of these uses are only at their infancy stages:

"FARM POWER HOIST USES.—Pumping, grinding feed, shelling corn, cutting fodder, grinding bones, sawing wood, operating grindstone.

"STATIONARY TYPE IN FARM WORK.—Operating corn binder, portable potato digger, operating manure spreader.

"PORTABLE TYPE IN GENERAL FARM WORK.—Operating grain dump and elevator, operating manure loader, operating hoist for moving away hay, baling hay, power corn shelling, power silo filling, operating husker and shredder, operating wood saw, power feed grinding, milking machines, power spraying, crushing rocks, operating concrete mixer.

"STATIONARY TYPE IN HOUSEHOLD AND DAIRY USE.—Pumping, operating washing machine, operating vacuum cleaner, operating light plant, operating cream separator, operating power churn.

"TRACTOR USE CLEARING THE LAND.—Pulling trees, tearing out hedges, pulling stumps, grubbing, pulling stones.

"TRACTOR USE, PREPARING SEED BED AND SEEDING.—Plowing, disking, harrowing with drag, harrows, pulling clod crusher, pulling land roller, pulling leveler and smoother, pulling picker, listing, corn planting (very rare), pulling seeder and drills.

"TRACTOR USE IN HARVESTING.—Mowing, hay loading, hay hoisting, pulling grain binders, pulling corn binder, pulling potato digger.

"TRACTOR USE, BAIT WORK.—Hay baling, corn shelling, irrigating, pumping, grinding feed, wood sawing, threshing, husking and shredding, silo filling, clover hulling.

"TRACTOR USE, ROAD WORK.—Grading, dragging, leveling, hauling crops, house moving.

"TRACTOR USE, MISCELLANEOUS.—Operating grain dump and elevator, loading logs, stretching wire, digging ditches, spraying, spreading, rock crushing.

"A tax of several cents per gallon on gasoline will have a very serious effect on the oil industry also. A certain amount of gasoline production is also likely necessary to the other production of fuel oil and lubricating oils. And if we be not mistaken such a tax would tend to hamper the trade and to discourage drilling at a time, of all times, when this industry should be encouraged. The well known policy of European governments in this great war stress has been to husband all its fuel resources. Gasoline is a fuel just as truly as coal. Its combustion produces heat, light and power. It is a more efficient fuel than coal, because it produces more power in proportion to its cost and weight. In addition to that fact it can be far more readily handled in loading, unloading and use. No suggestion is made to levy a specific tax on coal.

"We do not object to bearing our share of those taxes listed above which apply to all industries generally, such as the large income and excess profits tax, the tax on luxuries, freight bills, passenger tickets, the stamp tax, etc. We will be compelled to pay our proper proportion of all these taxes; and in addition to that we would be required to pay this specific tax. We do most sincerely object to the singling out of one industry like ours for an additional burden. We believe this would constitute an unjust and unfair discrimination.

"We earnestly petition you to treat our industry on a parity with others of like character. We do not object or protest against a war tax. We are willing and proud of the opportunity to share with other industries the great burden of the war."

ALLIES ARRIVE TO TALK SPECIFICATIONS

NEW YORK, Aug. 30.—Sir Sidney Black, head of the British petroleum commission in this country, presented foreign members of the new standardization committee to be formed to simplify oil specifications, as recently announced by the Fuel Administration at Washington, before the Petroleum War Service Committee at its meeting here last Friday.

At the same session Chairman Bedford appointed H. L. Doherty, head of the Cities Service Company, and J. F. Guffey, president of the National Gas Association of America, as members of a tax committee to include representatives of all the oil and gas associations.

MAGNOLIA STRIKERS RETURN TO WORK

TULSA, Aug. 30.—Striking still men, pipe fitters and laborers, who went on strike twelve days previously at the Magnolia Petroleum Company's Beaumont refinery, returned to work August 24 under former conditions and wages. The mediation section of the Federal Labor Board is to investigate regarding the wage advance sought. The men, however, failed to gain recognition of the union, which was also sought.

Striking boiler makers, who walked out three days prior to the refinery workers, remained out Saturday when the other workers returned. The strike of boiler makers was made in the face of a 7½ per cent wage advance recently granted, but they demanded a contract allowing 20 per cent advance and definite union recognition. The 7½ per cent increase brought wages of boiler makers up to \$5.40 daily.

RELIEVED BY OIL STANDARDIZATION; LACK OF PERSPECTIVE TO BE CURED

WASHINGTON, Aug. 30.—The standardization of petroleum specifications, ordered in the President's proclamation is expected to squelch the ambitious departmental or bureau specification writer, or buying agent who has cherished the belief that the work for which he is providing specifications and supplies of petroleum and its products is the most important on earth; that nothing but the best will cover the requirements of his particular branch, and insists upon a full supply of the highest grade of product, regardless of the necessities of other branches of the service.

The trouble intended to be cured is a lack of perspective. If the purchasing or specification agents of the various branches of the government continued to run wild, as they have been, seizure of the oil industry would have been the outcome, not because the industry was blameable, but because such a strong-arm method would have required to put each man in his place.

Not Enough to Go Around.

Appointment of the specification committee, on orders from the President, was made necessary by the fact that there is not enough of "the best" in each class of petroleum products to supply the demands made by the representatives of the various bureaus and departments of the government. It is necessary to distribute the supply in such a way that the projects that really need the best that can be produced will be so provided. Otherwise the department that had the most persuasive agent would get all it needed of a particular grade or kind of product, while others got less than their vital needs demanded.

Only a short time ago, one branch of the government demanded the finest kind of cylinder oil. Upon investigation by the oil division it was found that this demand for cylinder oil proceeded upon the assumption that while other oils might do, it was better to take not even the millionth part of one chance. The branch that had called for the finest grade of cylinder oil had not even thought as to the possible effect of its demand upon the supply of that class of lubricant.

Expense was the only factor that had been considered. The men who called for fine cylinder oil knew it was expensive but they argued that the use to which they intended putting it would warrant any expense that might be incurred. They had not even considered the possibility of causing a shortage that would affect the airplane service.

Under the new system, no government agency may have any petroleum product except in accordance with the specifications prepared by the committee. That body, in other words, will receive the requests for all departments and agencies, interview the man who makes the requisition and tell him what he can have, both as to grade and quantity.

The appointment of the committee will relieve the industry from the curse that would have fallen on it if the demand for gasoline had been met by the industry on the rule "First come, first served."

Oil Director Regna is chairman of the committee and the other members are: George E. Warren, appointed by the secretary of war; Admiral R. S. Griffin, appointed by the secretary of the navy; M. L. Cook, appointed by the chairman of the shipping board; C. B. Young, appointed by the Railroad Administration; C. B. Beal, appointed by the director of the Bureau of Mines, and Dr. C. W. Waidner, appointed by the director of the Bureau of Standards.

The men appointed by Secretary Baker, and Secretary Hurley of the Shipping Board, are not generally known among the men in the Oil Division. The others are fairly well known. For instance, Admiral Griffin for a long time had charge of the bureau of steam engineering in the navy department and always was strong for fuel oil on ships. C. B. Young, appointed by Director General McAdoo, was mechanical engineer on the Chicago, Burlington & Quincy for years before he came to the headquarters of all railroads in Washington. C. B. Beal is sitting in as petroleum technologist for the Bureau of Mines during the absence, in Europe, of Chester Naramore, the chief of it. Dr. Waidner, representing the Bureau of Standards, took a prominent part in the discussion, now nearly two years ago, at the Bureau of Standards on the question as to whether the government should have specifications for gasoline.

The statement of the purpose of the committee as given out by the Fuel Administration follows:

"The need of a narrower range in the matter of specifications of petroleum and its products is obvious to all in the oil industry or doing business with it; the creation of this committee is in the interest of economy by the avoidance of duplication of effort and for the better utilization of resources and industries.

"To this end the committee will make a compilation of existing specifications, consider the reasons for the wide range now prevalent and from a study of the necessities of the consuming trade, endeavor to narrow the circle of specifications without diminishing the efficiency of the oils or injuring or retarding the work for which used.

"It will be seen, therefore, that the functions of this committee are of vast importance, not only to the Government agencies using the same and to the manufacturing and consuming industries affected, but to the allied governments as well, who are dependent upon the American manufacturers for the greater part of their supply of petroleum products.

"It is expected that a joint meeting of committees from the allied governments with the committee on standardization of petroleum specifications will be had the early part of the week, commencing August 28, and at this joint meeting the entire situation will be surveyed and the objects considered with a view of remedying whatever difficulties now appear and making the winning of the war, so far as the aid of the oil industry is concerned, an easier task."

ORGANIZE TO MARKET CALIFORNIA FUEL OIL.

LOS ANGELES, Aug. 30.—The first steps have been taken towards the organization of the California refiners into a co-operative body for the buying of crude oil and the sale of their fuel oil to be known as the California Petroleum Exchange. Five of the leading minor Independents have already entered, viz. the Richfield, Turner, Vernon, Wilshire and Asphalt & Oil Refining companies. The officers and directors are: George P. Holton, of the Turner, president; George Machris, Wilshire, vice president; J. A. Brower, Vernon; F. R. Kellogg, Richfield; F. W. P. Hill, Oil & Asphalt Refining Company, directors. H. P. Masson, of the Independent Petroleum Marketers' Association, is secretary and treasurer.

The five companies now refine about 200,000 barrels of crude a month, and have a capacity for 100,000 more. The output of fuel oil is 60,000 barrels a month, all of which will be sold by the Exchange. For the present each company will continue to market its own output of other refined products.

The plan of organization follows somewhat that of the Independent Oil Producers' Agency, but also include features adopted from the California Citrus Fruit Growers' Association and the California Raisin Association. Members will have share and share alike and none can have more than their pro rata of stock. When a member withdraws the vacancy will automatically close, so that no one may sell his interest without the approval of the others. While other refiners will be accepted as members, no attempt will be made to force any to come in.

INCREASE OF 50 PER CENT.

COLUMBUS, Ohio, Aug. 30.—Natural gas rates have been increased an average of 50 per cent. in practically all the Doherty Ohio cities interested with the exception of Mansfield, where none has been applied for. C. W. Sears, general manager of the Medina Gas & Fuel Co., wires that Lima was the most recent example, the increases being from 35 cents a thousand cubic feet to 50 cents for the summer months, while in winter the rates will be 50 cents for the first 25,000 feet, 60 cents for the next 5,000 and 70 cents for all over 30,000.

ARRIVALS AT THE PHOENIX

Henry L. Spencer, Jackson, Ky.	Leonard Rutledge, Winchester, Ky.
Chas. R. Lent, Boston, Mass.	J. C. Hoskins, Winchester, Ky.
S. H. Berry, Monticello, Ky.	G. F. Burton, Monticello, Ky.
W. L. Ritters, St. Louis, Mo.	Ray Goff, Monticello, Ky.
E. C. Stull, Cincinnati, O.	A. M. Sutton, Hazard, Ky.
W. W. Eubank, Jr., Mt. Sterling, Ky.	J. Graham, Coffeyville, Kans.
J. M. Butler, Indianapolis, Ind.	J. A. Brierley, Louisville, Ky.
John F. Price, Paris, Ky.	T. M. Fincher, Atlanta, Ga.
C. D. DeForest, New York.	N. B. Noland, Winchester, Ky.
H. C. Beeler, Norfolk, Va.	Thos. W. White, Cincinnati, O.
Stanley R. Thomas, Mt. Sterling.	J. C. Hurst, Willhurst, Ky.
S. R. Collier, West Liberty, Ky.	Sewell B. Williams, Jackson, Ky.
W. I. Gaines, Louisville, Ky.	F. J. Craig, Winchester, Ky.
W. W. Hoffman, Syracuse, N. Y.	J. C. Hendrick, Irvine, Ky.
W. M. Barnhart, Pittsburg, Pa.	E. M. Jonett, Winchester, Ky.
H. A. Gibson, Torront, Ky.	C. J. Siffle, London, Ky.
Harry L. Skelley, Winchester, Ky.	James P. Adams, Beattyville, Ky.
W. J. Yost, Montgomery, Ala.	Silas Haddix, Jackson, Ky.
C. A. Yost, Portsmouth, O.	A. J. Phillips, Providence, Ky.
Geo. C. Brooks, Irvine, Ky.	Clarence Miller, Irvine, Ky.
R. K. Daugherty, Irvine, Ky.	J. C. Hauley, Jackson, Ky.
H. G. Arnett, West Liberty, Ky.	A. J. Redway, Cincinnati, Ohio.
C. R. Walker, Pineville, Ky.	J. L. Sullivan, Louisville, Ky.
J. M. Stevenson, Winchester, Ky.	W. C. French, Louisville, Ky.
A. G. Lyons, Maysville, Ky.	A. M. Barry, Philadelphia, Pa.
Ben Richards, Winchester, Ky.	D. B. Miller, Danville, Ky.
J. M. Mildren, Cleveland, O.	J. B. Davis, Louisville, Ky.

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FOR SALE—Seventeen hundred acres oil and gas leaseholds in Wayne County, Ky., all adjoining; price reasonable; tested by one well drilled in which proves the oil is here. Address, Box 212, Monticello, Ky.

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FINANCIAL NEWS**Kentucky Oil Exchange, (Inc.)**

Lexington, Ky., August 31, 1918.

The next Liberty Loan Campaign will begin the last of September, the amount to be raised having been set at \$6,000,000,000. We consider it proper at this time to advise the oil investing public, regardless of the fact that there are many very promising oil issues which can be bought at profitable prices at present, that they should, under no circumstances, fail to arrange for a proper investment in Liberty Bonds. This next issue will be the largest offered, and the proportionate investment of each individual will have to be greater than heretofore. In this connection, we respectfully call attention to the advice which has been previously given in our weekly market letters relative to stocks which we have believed offered reasonable security and opportunity for profit making. On account of the more extensive developments of the Eastern Kentucky fields, the profitable pools are being more clearly defined, and it is possible for an investor to exercise greater care in his investments in oil stocks. We believe that it will be profitable to those contemplating investments to read our weekly market letter and to seek special information and advice on any stock which they contemplate buying. It furthermore is the purpose of the Kentucky Oil Exchange to keep in close touch with the Capital Issues Committee, as it has been announced this committee will begin, at once, to exercise more specific supervision over the issue of stocks, and we are led to believe that they will give particular attention to oil stocks.

Some brokerage houses have recently been taking advantage of the successful operations of the Allies in predicting the possible early ending of the war for the purpose of accelerating the investment attitude on the part of the public. We believe such representations are unfair and unjustified, and that the public should continue to exercise unusual discretion in this regard. By reading our weekly letter and seeking our special information, a better balance between Liberty Loan and oil investments can be maintained.

The Alakyla Oil & Gas Company, recently organized, reports three wells on their Hampton and Spicer lease, estimated to average from 30 to 40 barrels per well. This company has a first class board of directors, and is likely to prove one of the active operating companies in the Kentucky field. Ex-Army General M. M. Logan and Charles H. Morris, present Attorney-General of the State, are directors in this company.

Another recent organization is the Arrowhead Oil Company, which likewise, is well officered, whose purpose, it seems, is to become an active and energetic, operating company. John W. Richardson, vice-president of the Bank of Commerce, Lexington, Ky., is the president of this company; Eli H. Brown, vice-president, and Edwin P. Morrow, of Somerset, a director.

The Bankers' Oil Company is due in with its No. 3, Hubbard, in the Ross Creek pool, today. Its No. 2, a location away, made better than 100 barrels. The stock has remained around \$2.75 to \$3.00 per share for the week.

Bourbon Oil & Development shows continued weakness, the stock being offered at present, at 60 cents per share.

Comet is selling much lower than for a great while, some of this stock changing hands at \$1.00 per share during the week.

Crown Oil continues unsought, and the purchase of this stock is not recommended. Local Oil & Gas continues weak, but is worth a better price.

The McCombs Producing & Refining Company continues very strong, but little of this stock is changing hands. The proposed increase in the dividend rate during the next thirty days is no doubt adding to its strength.

Monarch Vacuum & Petroleum has recently dropped from \$3.00 bid to \$2.00 asked, with no bidders.

Old Dominion continues very strong, and practically none of this stock is being offered. The company reports a well on the Liberty Bryant, estimated at 500 barrels, and on the Couch lease, 300 barrels, both of these properties being among those recently purchased by the company.

The first well of the Puritan Oil Company on the Calley Brandenburg came in this week estimated at 200 barrels. The stock of this company is being held for \$1.50 per share. We believe that this stock will eventually sell for higher prices.

Pyramid continues steady at around \$1.70.

The Trinity has brought in its second well on the Lee County Mineral lease, which is considered a little better than the first. Both of these wells are on the southern end of their lease and subsequent wells should show larger production on account of being nearer the Big Sinking production. This stock continues at from \$2.75 to \$3.00, and it is considered a good purchase.

The W. P. Williams Corporation expresses satisfaction over its first Breathitt well, in which locality they have much acreage, and we believe this stock offers a first class opportunity for considerable profit in a very short time. It is now quoted at \$1.35 per share, and is paying a monthly dividend of two per cent on a par value of \$1.00, and it is predicted that this stock will be selling around \$1.75 per share in 60 or 90 days.

Thirty completions were reported during the week, all producers. Allen county reported five wells, ranging from 50 to 100 barrels, flowing. Estill county came in with 10 wells, good for from 10 to 100 barrels; Lee county reported 13 wells, from 25 to 300 barrels. Lawrence county, 2 wells, of ten barrels each.

Oil pipe line runs for the week were \$3,300.87 barrels, a daily average of 11,000.12.

KENTUCKY OIL LIST

(Furnished by Kentucky Oil Exchange, Inc., Phoenix Hotel Building, Lexington, Ky.)

	August 31, 1918	Last Bid.	Last Asked
A-One	1.50		
Alakyla	1.00		
Arrowhead	1.00		
Big Bird Oil & Gas	20.00		
Bonanza	1.25		
Blue Ridge50		
Barnett18		
Bankers Oil	3.25		
Big Four	0.00		
Bourbon Oil and Development40		
Barriek Kentucky75		
Buckeye	1.00		
Cherokee50		
Comet	1.00		
Cosden	6.50		
Crown25		
Cumberland P. & R.10		
Erie	7.50		
Estill-Lee	75.00		
Farmers Oil	1.50		
Federal	1.75		
Henry Clay40		
High Gravity21		
Himyar	3.00		
Hopewell Petroleum	150.00		
Hoffman	1.00		
Local Oil and Gas	1.35		
Long Creek Oil & Gas	25.00		
Mason & Dixon	1.50		
McCombs	1.50		
Monarch V. Pet.	2.00		
Montezuma	1.00		
Oleum Refining	5.00		
Old Dominion	120.00		
Pan American	1.00		
Penn Kentucky	5.00		
Planet, with lots	1.50		
Planet, revoked options with lots	1.00		
Pyramid	1.75		
Peerless Oil	5.00		
Petroleum Exploration	45.00		

Puritan	1.00
Rex Oil	1.00
Southern Oil of Lee	1.00
Station City	1.00
Stanton	1.00
Sturais	1.00
Studebaker	1.00
Sturgeon Creek	1.00
Trinity	1.00
Wyoming-Kentucky	1.00
W. P. Williams	1.00

NEW YORK EXPORT MARKET.

NEW YORK Aug. 30. The condition of the market for oil remains unchanged so far as prices for refined oils are concerned. The quantity of containers and cooperage is also being more actively marketed, the buying acute. The total transactions in refined oils for the week ended today show a fair decrease, confined principally to account of reduced demand due to the constant lack of freight space, also to the unfavorable position of a number of tank oil steamers. The Petroleum War Committee (made up of 12 companies) which has been recommended and approved by the United States Government, to stabilize crude oil prices and to maintain a constant and regular flow of crude oil in its present channels in so far as is practicable, to the interests involved, through the voluntary action and cooperation of the industry itself. Large purchasing companies shall continue to purchase crude oil at the posted market price. All other purchasers who are permitted to pay for crude oil, are hereafter permitted to pay certain fixed prices, the same being the same as those now in effect.

The Standard Oil of New Jersey has announced another increase of ten per cent. for all refinery employees. The tank of the T. L. Kellogg was torpedoed by a German submarine of the Augsburg class on the 28th instant. The vessel had a cargo of about 70,000 barrels of oil enroute from Tampico, Mexico, to Boston.

The broadening of the demand for motor gasoline is a source of strength. The production for the year 1918 is estimated at 700,000,000 gallons, equal to 3,500,000,000 gallons as against about 2,700,000,000 gallons for 1917. Consumption continues to absorb the output, but refiners report a shortage of supplies to meet requirements. The only difficulties encountered are keeping up with deliveries on outstanding orders. Station department and retail requirements, are adequately supplied. Manufacturing of plastic automobile tires, checked and makers will have until the first of the year to complete the hundred per cent war work and after that time they must cease manufacturing passenger automobiles. Motor truck makers are to be given permission to divert supplies of fuel, iron and steel to be used for direct or indirect war purposes, or for essential civilian purposes.

The demand for tonnage exceeds the supply. Time charter rates for an expansion is short of available ships to meet requirements. Some firms and some exporters are offering increased prices for tonnage in conditions. For the week ended today charters for petroleum, for the Government, covering crude and refined oils, also a plot of oil, were approximately 275,000 barrels, showing a loss of 94,800 barrels, compared with the total for the preceding week, reduced to crude equivalent.

Clearances of petroleum of New York, as outlined by the Petroleum War Committee, covering quantities from January 1 to August, 1918, were approximately 506,830,000 gallons, showing an increase of some 80,000,000 gallons compared with the corresponding period of 1917.

Advices from Spain note that gasoline is entirely out of the market, the Government tried to regulate the supply and price. A substitute is now being used for gasoline, made mostly of alcohol, which is quoted at \$3 a gallon. The London and Liverpool markets for American illuminating oil closed unchanged and firm.

The weekly review herewith covering petroleum and products, involving transactions in export parcels is based on f. o. b. terms, New York, comprising 200 to 200 case lots, cases and cans and in 10-gallon drums, unless otherwise specified. In order to arrive at f. o. b. price of case oil, 110 f. test, at regular export cases, containing two five-gallon, low screw cans, add delivery charges as per table below for quantity ordered to base price as given in our market report herewith on standard white oil (water white oil sells at one cent a gallon higher than standard white). Lightage charges are quoted in cents a gallon, covering delivery charge on case oil to vessels in New York harbor, 12 tonnage limits, which are as follows: 10 to 99, \$2.05; 100 to 999, \$1.90; 1,000 to 299, \$1.80; 300 to 399, 60¢; 400 to 499, 70¢; 500 to 599, 80¢; 600 to 699, 85¢; 700 to 799, 90¢; 800 to 899, 95¢; 900 to 999, 1.00; 1,000 to 1,999, 1.05; 2,000 to 2,999, 1.10; 3,000 to 3,999, 1.15; 4,000 to 4,999, 1.20; 5,000 to 5,999, 1.25; 6,000 to 6,999, 1.30; 7,000 to 7,999, 1.35; 8,000 to 8,999, 1.40; 9,000 to 9,999, 1.45; 10,000 and above, 1.50 a case.

Orders for illuminating oil in bulk and barrels involved over 25,000 barrels at fixed prices for the Government and at 8 1/2 cents a gallon to outsiders. Illuminating oil in cases covered sales of over 200,000 cases, showing a moderate gain at prices on the basis of 10.00 cents for 200 to 299-case lots and 18.00 cents a gallon for 3,000 to 9,999 case lots. A substantial increase for naphtha is noted and over 500,000 cases changed hands. Of gasoline over 65,000 cases, practically all in bulk, has been traded in, while of illuminating oil some 80,000 barrels, partly in bulk, has been looked.

The following tabulated figures give the clearances for petroleum and products at New York, covering crude, refined oils and molasses in bulk and in packages, reduced to crude equivalent, for the week ending August 31 and from August 1, 1918, with daily averages, compiled in barrels.

	Daily	Aug. 31	Aug. 1
August 1	27,778	2,412.7	372.5
August 10	92,370	3,803	3,808
August 12	50,130	13,000	13,008
August 13	42,873	28,288	28,277
August 14	37,937	23,322	23,340
August 15	101,887	638,000	12,000

The following table gives the clearances of petroleum and products at New York, compiled in gallons, for the week ending August 31 and from January 1, 1918, with comparative figures:

	Week.	Aug. 31	Jan. 1
Refined	12,300,000	29,000,000	29,000,000
Crude	20,000	1,700,000	1,700,000
Lubricating Oil	1,000,000	108,000,000	108,000,000
Naphthalene	5,500,000	58,317,300	58,317,300
Gasoline	100,000	78,000,000	78,000,000
Total	12,420,000	89,000,000	89,000,000

* approximate.

Foreign Closing Cable Quotations.

	London	London
Friday	18 10 3	18 10 3
Saturday	18 10 3	18 10 3
Monday	18 10 3	18 10 3
Tuesday	18 10 3	18 10 3
Wednesday	18 10 3	18 10 3
Thursday	18 10 3	18 10 3

TIDEWATER OIL EARNINGS.

NEW YORK, Aug. 30. The report of the Tidewater Oil Company for the six months ended June 30, shows gross earnings from operations to be \$8,818,703.00 and income from investments to be \$2,300,903.00 or a total of \$11,119,606.00. Depreciation amounts to \$1,718,309.00 and federal taxes take off \$1,305,002.41, leaving a total net income of \$8,096,297.59. During this period \$2,021,307.71 was paid out to outside stockholders, leaving \$5,074,989.88 for the Tidewater Oil Co. stockholders. Two dividends were paid, one in March amounting to 5 per cent, and another in June for 1 per cent. The total paid out in the two dividends amounted to \$2,870,955.

THE PENNSYLVANIA STAKE, \$5,000, Lexington, Oct. 10th 3.

(Continued from Page One)

also complete a well in the same section which was started by them last winter, and which was shut down at 125 feet.

The Republic Oil Company has a fishing job at No. 1 Lee Farris at 175 feet.

The Southern Oil and Refining Company's No. 2 Headley is expected in by the last of next week.

Lawrence County.

In Lawrence county, Fallsburg district, the Ohio Fuel Oil Company got three to ten barrel producers at No. 2 James L. Clark and No. 4 Hanna Lackey.

Western Kentucky.

More activity in the Allen county fields in the Western section of the State has been noted during the past few days. The Indian Refining Company has about completed its four-inch line from the Johnson wells in the northern part of the county to Scottsville, where storage facilities are being constructed. The oil will be shipped out of Scottsville in tank cars. Two 10,000-barrel storage tanks will be erected. Announcement from Scottsville received here yesterday was to the effect that, while the main line would be from the Johnson wells in northern Allen, gathering lines would be constructed to any part of Allen county where production justifies.

The American Pipe Line Company, composed of C. S. Shriver and others will be ready to pump oil from the Allen-Warren fields within a few days. The line of this company is of two-inch material and runs from the Johnson-Moore section of Allen county, through Warren to Bowling Green. It is understood that an effort to interest eastern capitalists in a refinery proposition at Bowling Green are being made, and in the event this is done, the refined product will be shipped from Bowling Green either by rail or water.

The completion of these two lines makes the Allen-Warren field a desirable one for operating, owing to the shallow depth of the pay, and the small percentage of dry holes. It is estimated that out of the number of wells drilled in the Allen-Warren field, about the same per cent are dry as in the Irvine field and this is a fine showing.

Among the recent completions in Allen county is Snowden Brothers No. 1, Yessie Oliver, which is rated at something over 50 barrels. The Omar Oil Company's No. 2 Charlie Williams is credited with 75 barrels.

Spurgin and others No. 1 John T. Motley is reported flowing after being shot with 30 quarts.

Peacock and others No. 1 Pat Edmonds is credited with better than 100 barrels.

FATALITY DUE TO MATCH.

CHICAGO, Aug. 29.—Miss Lillian Horneck, 10, 4502 South State Street, struck a match Wednesday while cleaning clothes with gasoline. She died yesterday in the County Hospital.

OIL PROFITEERING CHARGED AGAINST EASTERN COMPANIES

WASHINGTON, Aug. 30.—In setting forth reasons for its war-profits tax policy, the Treasury Department declares that the oil industry is to a large extent guilty of profiteering. Eastern oil concerns of large holdings are the ones chiefly accused, but no names are given. Mid-Continent oil interests are exonerated from the charge of obtaining excess war profits.

Oil men have also been accused by the Federal Trade Commission of getting more money out of their business than they should obtain at this time. As a result of the agitation of alleged oil profits, the proposed revenue law will doubtless bear heavily on the oil industry, regardless of protests by oil interests as to a lack of profit in some divisions of the business.

TANK CAR OWNERS GIVEN CENT A MILE; PRIVATE CARS EXEMPTED

WASHINGTON, Aug. 30.—Owners of tank cars, on or before October 15th will have their mileage allowance increased from three-fourths of a cent to a cent per mile, on both empty and loaded movement of their tank cars. The allowance will have to be paid on the actual number of miles travelled by the cars. At present the mileage run up in switching districts is deducted from the allowance paid to the owners or lessees of cars.

At the same time the carriers are to put into effect a rule that will exempt a private car standing on the private track of the owner from demurrage.

These are the positive orders of the Interstate Commerce Commission entered in what is known as the Private Car case that has been pending for more than five years. The report to which the orders are appended says the carriers should also quit publishing the Master Car Builders' rules in their tariffs and should furnish repair bills to car owners promptly and that owners of cars should have representation on the committees which arbitrate the numberless disputes between car owners and the railroad companies that claims to have made repairs to private cars and then have sent in bills to owners who think they can prove that no repairs were made, or that outrageous prices were charged for the materials and labor furnished.

All these things will bring more or less gladness to the heart of the tank car owner. The commission does not give him all he believes he is entitled to, but it gives him something toward meeting the terrific rise in the price of cars, repairs and other expenses connected with the supplying of equipment which the oil men have tried to show it is the duty of the railroad to furnish.

Start Cars Home Promptly

Still another rule the commission says the carriers should write into their tariffs provides that when a car is unloaded it shall be started forthwith toward the plant of the owner, unless he orders to the contrary.

That rule is aimed at the car thieves and the railroads that permit them to convert the cars of one owner to the use of another. Last winter Judge C. D. Chamberlain, general counsel of the National Petroleum Association entered suit against railroad companies that had permitted such conversion of private property. The commission, in its report says that discrimination of the most blatant kind is permitted by carriers. The big shippers are able to maintain an organization to watch the cars of their employers and keep them from being diverted to the use of others than their owners. The small shippers, however, are not able to maintain such organizations. Many of them, therefore, are put out of business by their inability to compel the railroad companies to return their cars to them.

This is a remarkable outcome of the private car case. The commission began it while under the impression that private cars are the means whereby big shippers receive rebates under pretense of mileage. Instead of the mileage allowance being a rebate, the report shows that it is less than the cost to the car owners of providing such equipment to piece out the wholly inadequate supply of the railroad companies.

The only discrimination resulting from the use of private cars results from the fact that the big owners of private cars will not permit car stealing or car diversion. They are compelled to return the cars of the big owners without delay. The smaller men, however, having no organization must stand big losses through the negligence or worse of the railroad companies.

Next to the increase allowance, probably the part of the report that will give the most satisfaction to tank car owners, is the determination of the commission to abolish the rule in the Proctor & Gamble case, established by itself.

The Proctor & Gamble people kept one or more of their own cars, filled with their own products, standing on their own tracks in their own yards for more than forty-eight hours. The B. & O. collected demurrage. The company sued before the commission, but that body gravely decided that unless the owner removed the goods from the cars, the transportation had not ceased, and that, therefore, the owner of the car would have to pay to the railroad company demurrage upon its own property loaded in his own car in his own yard. The courts agreed with the commission. The decision was based upon the assumption that by refusing to unload the car the owner thereof was reducing the supply of cars that could be used.

It was not until after the Supreme Court approved the decision that it began dawning on the commission that no shipper is required, by any law, to furnish cars; that when he does provide one, he provides it for a specified trip or number of trips, and that when he takes it into his own possession, the leases are at an end and no power can compel him again to offer that or any other car.

REFINERS COMPLAIN OF CRUDE SHORTAGE; GRIEVANCES COME TO SUB-COMMITTEE

TULSA, Aug. 30.—The test of the hearings now under way before the sub-committee on Conciliation and Co-operation, under the joint advisory committees on production and refining and marketing for the Mid-Continent depends, according to J. E. Darby, chairman of the sub-committee, on whether its findings are to be generally accepted, or whether appeal will be taken in a majority of instances to the joint committee, then the national committee and finally the Oil Division at Washington, as provided under the voluntary regulations approved by Mr. Requa.

Hearings affecting the distribution of crude oil were taken up before the sub-committee August 23rd. A docket has been set which will require continuous daily session the whole of next week, according to Mr. Darby, and perhaps longer. No decisions actually have been made, and it is not stated when they may be expected, but the fact that appeals are contemplated is indicated by the request of one of the principals in the first case to be heard for an abstract of the evidence. The hearings largely affect individual grievances, with which the sub-committee is largely concerned, it also dealing with whatever diversion of crude there may be from existing channels, all such cases coming before it and requiring final approval of Mr. Requa.

A number of grievances coming to the sub-committee are in the nature of calls for crude oil supply for the complaining refiners. The position is taken that the sub-committee can deal only with the diversions of crude and questions thereby engendered, looking toward the working out of an equitable situation in cases of dispute. The sub-committee takes the position it has no power to supply crude to the refiner who does not have it, nor does the sub-committee know where it could be gotten were the situation otherwise.

It is now stated that action on the Healdton and Okmulgee deep sand production cases must come before the joint committees in the Mid-Continent for action, Messrs. Frank Haskell of the production committee and J. S. Cosden, of the refining and marketing committee, being the joint heads of this division of the work. Mr. Cosden now is in California and Mr. Haskell is in Tulsa. Many members of the joint committees are away and it is considered improbable that any hearing will be given the Healdton or Okmulgee questions until after the first of next month. Notice will be sent out later, ten days being required in the case of the Healdton producers, and the hearings held accordingly.

Meantime the sub-committee on conciliation and co-operation requires the appointment under the plan approved by Mr. Requa of from one to three persons disinterested in the industry, the remainder being refiners and producers.

Okmulgee producers operating deep sand wells contend for a maximum premium of 75 cents, equal to that allowed for Cushing crude.

GIRL BEATS MEN AT DRIVING OIL AUTO TRUCK

OMAHA, Neb., Aug. 30.—On account of the scarcity of male labor, the main branch of the Nonrue Oil Company here has hired a girl of twenty-one to drive a converted Ford platform truck, and load and unload the barrels of oil. Although this young woman is slightly built, she manages to handle four loads a day, while the best men get off not more than three.

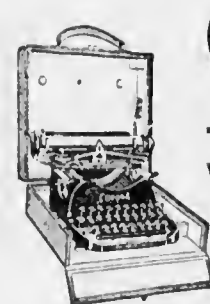
In addition to loading and unloading the truck, this driver oils and greases the truck herself and also attends to the small repair work. She is probably the first young woman engaged at this work in the country.

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Farm Map of Lee County, by P. A. Rowe, C. E. \$12.00
Farm Map of Estill to Magoffin by J. Winn, C. E. 10.00
Farm Map of Ross Creek, by J. Winn, C. E. 1.00
These Maps are the latest and most up-to-date, showing Producing wells, dry holes and drilling. Also Maps of Forty other Counties.

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E. P. PATCH,
Box 493, Lexington, Ky.

NOTICE OF ADVANCE

THE PRICE OF STOCK IN THE HOFFMAN OIL COMPANY OF KENTUCKY WILL ADVANCE FROM \$1.00 TO \$2.00 PER SHARE SEPTEMBER 26th., 1918.

The price of stock was started last Fall at \$2.00 per share, par value, \$10.00 per share. This price was made as an inducement to early subscribers, giving them a most attractive speculation or their faith in the men back of the Company. As the plans of the Company have been carried out, the price of stock has been advanced from time to time, but is yet very low, considering the enormous lease-holdings of the Company and the developments already completed or under way.

The Directors of the Company, at their meeting on the 15th of August, authorized another advance to \$5.00 per share, to take effect on or before September 26th, believing that this advance was more than justified because of developments under way.

The stock of the Company offers one of the very best opportunities now available to the public, to share in the oil profits of Kentucky and Tennessee. Full details as to lease-holdings and production will be furnished on request by mail or at the office of the Company.

C. S. WOODS & COMPANY

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